

## NOTICE OF PUBLIC HEARING

Pursuant to the provisions of M.G.L. c. 118G and in accordance with M.G.L. c. 30A, as amended, the Division of Health Care Finance and Policy ("Division") will hold a public hearing on Thursday, February 19, 2009 at 10:00 AM at Two Boylston Street, Boston, MA 02116 relative to the adoption of regulation:

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### 114.5 CMR 19.00: Insurer Assessment

The regulation implements the a new statutory provision that requires each health insurer conducting business in Massachusetts to pay an assessment in Fiscal Year (FY) 2009 to fund expenses associated with health care costs. Under M.G.L. c. 118G, § 40, the Division is required to calculate the assessment based on the "net worth surplus available to health insurance carriers" based on criteria developed by the Division of Insurance (DOI) in consultation with the Division. The proposed regulation defines an insurer's Net Worth Surplus as its unassigned funds, including retained earnings or surplus as reported in its 2007 annual statement filed with DOI, and excluding capital accounts or surplus notes. Under the proposal, an insurer's Net Worth Surplus Available (NWSA) is calculated by adjusting its Net Worth Surplus to exclude a portion to account for out- of-state business, non-health insurance business, and certain government programs. The assessment will equal each insurer's NWSA multiplied by a Uniform Assessment Percentage, calculated by dividing total revenue to be generated by total insurers' NWSA. Pursuant to St. 2008, c. 302, § 66, total assessment revenue to be generated is \$33 million. All assessment revenue will be collected in FY 2009.

The effective date of the proposed amendments is March 15, 2009. There is no fiscal impact on cities and towns.

Interested parties are encouraged to submit comments on these amendments. All persons desiring to be heard on this matter are hereby notified to appear at the designated time and place. Persons intending to speak will be afforded an early opportunity to testify if the Division receives notice by 5 PM on Wednesday, February 18, 2009. All others will be heard subsequently. Written comments may be sent to Two Boylston Street, Boston MA 02116. Copies of the regulation are available for inspection and/or purchase at the Division of Health Care Finance and Policy, Two Boylston Street, Boston MA 02116 or you can access them free of charge in the Regulations section of the Division's web site located at [www.mass.gov/dhcfp](http://www.mass.gov/dhcfp).